



GSA ORDER

SUBJECT: Design and Construction Operating Principles and Procedures (DACOPPS)

1. Purpose. This order establishes a standardized operational approach for accomplishment of the Design and Construction (D&C) program in all regions, and is intended to put into overall context the guidance contained in other program-oriented D&C policy and procedural guidance currently in effect. A list of related internal directives and other relevant issuances is provided in figure 1. 

2. Applicability. The provisions of this order apply to all regional D&C operations, including regional facility support centers (FSC's). References in this order to D&C offices apply to D&C elements within FSC's as well as to regional D&C divisions.

3. Cancellations. Figure 2  lists previous issuances canceled by this order.

4. Background.

a. A comprehensive process review of D&C operations in the Public Buildings Service (PBS) was conducted in 1987. That review identified a series of national and regional problems that required management attention. As a result, the Office of Design and Construction has undertaken a series of management initiatives intended to remedy the problems identified. Policy and procedural guidance documents covering the areas of project development, project management, design review, construction management, and contract award scheduling have been issued. Streamlined and alternative contracting processes have been developed and made available. New budget and financial management guidance for the D&C services budget activity has been issued. A set of business practices based on greater use of private-sector expertise has been defined for D&C operations; production standards for D&C services have been developed accordingly; and a model for estimating staff resource requirements based on workload and production standards has been put in place.

b. The Office of Design and Construction has been placed within the PBS Office of Real Property Development with an ongoing regional liaison function to strengthen national D&C program management, and an intensified regional management survey effort has been instituted.

c. D&C operating procedures were previously contained in the HB, Procurement and Administration of Design and Construction, (PADAC), Volume 1 (PBS P 3420.1) and Volume 2 (PBS P 3420.2), which were issued and maintained by the Office of Design and Construction. When the Office of Procurement was created in the late 1970's, D&C contracting functions were transferred out of the D&C organization into the newly created procurement office, along with responsibility for maintaining the PADAC handbook. The focus of the PADAC handbook since the transfer has been on the procurement of D&C and related services and on the administration of D&C contracts. In the intervening years, a separate body of policies and procedures relating to D&C operations, resources, business practices, and program and project management have been developed and issued in the form of memoranda, instructional letters, and GSA orders. This order, along with its procedural attachments, is intended to incorporate and codify standing D&C operating principles and procedures into a single document within the GSA internal directives system and to provide a means to introduce future principles and procedures in a logical and

structured way.

5. Operating principles.

a. Mission. The mission of the regional D&C divisions is to perform D&C program and project management, contract administration, quality assurance, regulatory oversight, professional consultation, and inherently governmental functions requiring architectural and engineering expertise. Related professional and other services which are not inherently governmental and are commercially available are largely performed by contract. Such services are performed by in-house D&C staff only as necessary to maintain skills, meet urgent needs and accomplish work that cannot practicably be contracted out.

b. Operational approach. Assistant Regional Administrators (ARA's) for PBS have full authority to direct the accomplishment of the D&C program in their regions, limited only by existing applicable laws, regulations, and GSA and PBS policy. Except for those provisions which are clearly stated as mandatory, the principles and procedures contained in this order are to be treated as recommended operational guidance.

c. Resource management. The operational approach defined herein is the basis upon which resources will be allocated to regions for accomplishment of the D&C program. Assistant Regional Administrators (ARA's) for PBS have full authority to deploy these resources for optimum program accomplishment.

(1) Staffing. D&C staffing requirements are generated by operation of a workload-driven staffing model which is based on an accepted set of production standards. Results are included in annual regional PBS employment ceilings.

(2) Funds management. Regional D&C division directors are responsible for funds management under the D&C services budget activity (BA90) and under applicable areas of the construction and acquisition (BA51) and nonrecurring reimbursable (BA80) budget activities of the Federal Building Fund (FBF). This funds management responsibility encompasses the D&C elements of FSC's as well as the regional D&C divisions.

d. Reimbursable services. Regional D&C resource allocations provide for reimbursable as well as GSA funded work. In keeping with the emphasis on client services as expressed in the GSA strategic plan, regions must be fully responsive to client agencies' needs for reimbursable D&C services. Regions must seek to provide adequate capacity, within their annual resource allocations, to meet fluctuating demands for D&C reimbursable work production.

e. Facility support centers. Regional D&C division directors are responsible for programmatic and technical oversight of D&C work performed in the FSC's in their regions. D&C resource allocations will be made at the total regional level. For PBS regions having FSC's, ARA's will determine the appropriate allocation of D&C resources among the regional D&C division and the D&C elements within the FSC's.

f. Information management. The PBS Information System (PBS/IS) remains the official source of data on D&C program workload and program accomplishment, including related contractual actions. ARA's are responsible for ensuring the completeness, accuracy, and timeliness of management information reporting in conjunction with the regional D&C program, through the PBS/IS Repair, Alteration and Construction Automated Tracking System (RACATS). This reporting requirement applies to D&C program work performed by regional D&C divisions and FSC's.

g. Coordination. Effective accomplishment of the D&C program, as it relates to the larger PBS mission in each region, requires coordination and mutual support among all elements of the regional PBS organization. ARA's for PBS shall ensure that interaction and communication among all elements take place as necessary to support accomplishment of the D&C program, so as to serve the broader interests of PBS and GSA.

h. Management reviews. The Office of Real Property Development will conduct periodic management reviews of regional D&C operations. Those surveys will be structured around standing D&C policies and procedures, including this order and its attachments. Compliance with applicable laws, regulations, policies and other mandatory requirements will be determined. Central Office evaluations of regional performance in the D&C program area will otherwise be based on results achieved, rather than on methods of accomplishment. However, regions must be prepared to explain the rationale for any deviations from the recommended operational guidance set forth herein, particularly if shortfalls in quantity, quality, or timeliness of D&C program performance are an apparent result.

6. Procedures. Detailed procedures to be followed in implementation of this order are provided as an attachment.

7. Mandatory provisions - deviations. Deviations may be permitted from those mandatory provisions of this order which are not contained in law, regulation or GSA policy. Regions may deviate from such mandatory provisions if they obtain the prior written approval of the Assistant Commissioner for Real Property Development (PQ). Requests for deviations should be submitted to the attention of PQ with supporting rationale.

8. Action. Regions are required to immediately and fully comply with the mandatory provisions of this order unless and until specific deviations are authorized. Regions are further expected to promptly conform to the maximum extent practicable with the recommended operational guidance contained herein.

WILLIAM C. COLEMAN
Commissioner
Public Buildings Service

ATTACHMENT

STANDARDIZED D&C OPERATIONAL PROCEDURES

1. Program management.

a. Major GSA projects. All GSA new construction and repair and alteration (R&A) projects which require prospectus approval and/or line item authorization in annual GSA appropriations (or by alternative financing legislation) are considered major GSA projects for purposes of this order. (Large R&A projects for recurring repairs, work in leased buildings and work in multiple buildings may not require prospectuses. For purposes of applicability of the staffing allocation procedures set out in subparagraph 3.d, these projects will also be considered major projects if their construction value exceeds the prospectus threshold established by the Public Buildings Act, as amended. They are otherwise treated as minor projects as defined in subparagraph b.)

(1) Delivery methods. Major GSA projects generally are to be accomplished through either one of, or a combination of, two basic delivery methods: (a) traditional delivery, whereby design is performed and construction contract documents are provided by an architect-engineer (A-E) under contract to GSA, and then a construction contract is marketed, awarded and completed; and (b) design-build delivery, whereby performance criteria are developed and a single contract is awarded for both design and construction. The design-build delivery method shall be considered on all major GSA projects and used when circumstances indicate that it would be more cost effective or it is otherwise advantageous in meeting project goals. All design-build contracts shall require design by registered professional A-E's. On some design-build projects, it may be advantageous to provide some level of preliminary design development along with performance criteria as a basis for the design-build contract.

(2) Planning and approval. All proposed major GSA projects shall be supported by prospectus development studies (PDS's). The determination of need for PDS's is the responsibility of the regional PBS facility planning and repair and alteration offices. Performance of PDS's falls under both the program responsibility and the technical authority of the regional D&C divisions. When a proposed project is first identified through the normal PBS community planning or building evaluation process, or through a building project study conducted in accordance with subparagraph 11(b) of the Public Buildings Act, a PDS shall be initiated. PDS's shall include consideration of traditional versus design-build delivery. The PDS provided in support of each proposed project shall include in its implementation strategy the delivery method or combination of methods proposed, with supporting rationale. Each year, final PDS's for all projects being presented to the PBS Planning and Project Review Board (PPRB) for initial approval, shall be submitted to the Office of Real Property Development and others on or before the date specified in the annual Capital Improvement and Leasing Program Planning Call, usually in mid-March. The PPRB will determine which projects are approved for inclusion in GSA's proposed annual capital improvements program and budget. For proposed direct-funded design-build projects and for proposed alternate financing projects, approval and funding or alternate financing authority for both design and construction will be requested for the same fiscal year. For proposed direct-funded traditional delivery projects, initial approval and funding for design only will be requested separately in one fiscal year. Approval and funding for construction of these projects will normally be requested in the succeeding fiscal year; however, the PPRB may defer construction funding because of other budget priorities and/or project schedule delays.

(3) Authorization. When GSA's proposed annual capital improvements program and budget are forwarded to the Office of Management and Budget (normally in September of each year), the Assistant Commissioner, Office of Real Property Development (PQ), will issue written authorization to the regions to start work on projects for which initial funding (or alternative financing) is proposed. For projects subject to PBS project management requirements, the formal project management process will begin at this point. Also at this point, each project shall be regionally authorized by establishment of a Repair and Alteration Construction Automated Tracking System (RACATS) project record. For major R&A projects, the project records shall be established by issuance of RACATS Project/Authorizations (P/A's). On traditional delivery projects, regions will be initially authorized to publicize A-E and construction manager (CM) procurement actions and proceed to the point of A-E and CM contract awards. A-E contracts and CM base contracts for design phase services may then be awarded upon receipt of allowances including design funding or other specific authorization by the Comptroller (B). After the President's Budget request for construction authority on these projects is introduced, construction procurement may be publicized; however, construction contracts shall not be awarded and construction phase CM options shall not be exercised until receipt of allowances or other Comptroller authorization. On design-build delivery projects, regions will be initially authorized to prepare design-build contract requests for proposals (RFP's), to publicize CM procurement actions and to proceed to the point of RFP issuance and CM award. Authorization to publicize design-build contract procurements and to award CM

base contracts for procurement support services will be issued by the Assistant Commissioner (PQ) when there is clear indication of Congressional intent to approve the related projects. Design-build contracts may be awarded and related CM options may be exercised upon receipt of allowances or other specific authorization by the Comptroller.

(4) Scheduling. For all authorized major GSA projects, the time between project authorization and award of resulting contracts is to be held to the practical minimum required. For construction or design-build contracts related to these projects, all D&C services and activities required to effect procurement requests should be planned and scheduled to achieve the earliest practicable award dates. Award of these contracts shall be scheduled to occur: (a) no later than the end of the third quarter of the fiscal year of construction authorization, for design-build projects and for traditional delivery projects on which design is authorized in the preceding fiscal year; and (b) no later than the end of the first quarter of the fiscal year of construction authorization, for traditional delivery projects on which design is authorized two or more fiscal years before construction. For design-build projects, the related CM base contracts for procurement support services shall be scheduled for award no later than the end of the first quarter of the fiscal year of project funding. For traditional delivery projects, the related A-E design contracts and CM base contracts for design phase services shall be scheduled for award no later than the end of the first quarter of the fiscal year in which design is authorized. Circumstances on individual projects may dictate that awards take place later than the above guidelines permit; however, regions should be prepared to explain any delays on a project-by-project basis.

(5) Production. Regions are encouraged to engage CM firms to provide professional, technical, managerial and administrative support services during the design and construction phases of major GSA projects. (See also subparagraph 2.b.(2).) On traditional delivery projects, CM services should begin concurrently with A-E design services, and continue through procurement, performance and closeout of construction. Standard construction phase A-E services should be provided. On major projects with construction values less than \$10 million regions have discretion to engage design A-E's, supplemental A-E's, or construction inspection service contractors in lieu of CM's to perform construction management and inspection (M&I) services based on consideration of project size, complexity, availability of resources, site logistics, and cost. On design-build projects, CM services should begin concurrently with issuance of requests for design-build proposals and continue through construction closeout. CM's should also be used to provide technical assistance in the evaluation of design-build contract offers. CM services on design-build projects will consist primarily of technical oversight and assistance to the Government in administering the design-build contract, with reduced emphasis on scope, schedule, and cost control. On design-build projects, CM services associated with constructability assurance are not needed, since this is the design-build contractor's responsibility. D&C personnel will provide technical and regulatory oversight, management support and assistance in administration of A-E, CM and construction or design-build contracts. The roles and responsibilities of all A-E's, CM's, construction or design-build contractors and D&C personnel shall be defined and carried out to: (a) afford the most efficient use of limited in-house staff resources; (b) avoid unnecessary redundancies; and (c) preserve the proper professional and contractual accountabilities of all parties.

(6) Closeout. Each construction or design-build contract associated with a major GSA project should be readied for final settlement as soon as practicable after the contract work is completed. A-E and CM contracts should be readied for final settlement no later than the date of final settlement of the (last unsettled) related construction or design-build contract. The date of final settlement, which is established when the contracting officer signs the certificate of contract completion, will be used when evaluating or reporting regional contract closeout performance.

b. Minor GSA projects. All GSA funded new construction and R&A projects executed by the regional D&C offices that do not meet the major project criteria outlined above are considered minor GSA projects for purposes of this order.

(1) Delivery methods. Design-build delivery should be used on minor (nonprospectus) new construction and (non-line item) R&A projects when there are cost or other advantages over traditional delivery. Some minor projects involve a single primary task or discipline and are well suited for the design-build delivery approach. All design-build contracts shall require design by registered professional A-E's. Regions are encouraged to use the services of A-E firms for development of performance criteria and preliminary designs on minor design-build projects.

(2) Planning and approval. Each GSA annual budget request includes funding for unspecified minor (nonprospectus) new construction projects and for the minor (non-line item) R&A program. For both nonprospectus new construction and non-line item R&A, external budget approval is effected at program levels rather than by individual project. The ARA for PBS in each region is responsible to ensure coordination among the various regional program offices in planning the delivery of non-line item R&A projects, including the requirements for projects to be performed by the regional D&C office(s). In order to allow sufficient lead time for project execution, this planning effort must be done well in advance of the beginning of each operating year, based on projected minor R&A allowance levels. Projects to be performed by D&C should be identified at least 1 year before the beginning of the planned fiscal year of construction award. The total construction dollar value of projects identified for D&C should be based on the anticipated availability of funds for D&C projects, with a reasonable and prudent contingency allowance for projects that will not reach construction award capability. ARA's are responsible for identifying requirements for nonprospectus new construction projects, through the regional community planning process. ARA's shall request approval of identified new construction projects from the Central Office by forwarding allowance requests through the Regional Administrators to the Comptroller.

(3) Authorization. Nonprospectus new construction allowances are approved by project, based on specific regional allowance requests. The approved allowance document serves as the region's authorization to proceed with a nonprospectus new construction project. Except for minor R&A work being accomplished integrally with new construction, all minor R&A projects to be performed by D&C must be regionally authorized by issuance of RACATS project authorizations (P/A's). Prior to and during each operating year, necessary adjustments must be accommodated in the D&C project component of the minor R&A program. Additional projects should be accepted by D&C for unforeseen requirements, and previously authorized projects may be cancelled or deferred to future years. In order to ensure program continuity and efficient use of D&C resources, the ARA shall hold these adjustments to a practical minimum.

(4) Scheduling. Minor new construction projects should be scheduled and completed as expeditiously as practicable after receipt of approved allowances, and as necessary to meet programmatic needs. Minor R&A projects performed by D&C are to be scheduled and executed to: (a) satisfy urgent program requirements and accommodate seasonal considerations for various types of construction; (b) avoid wide, short-term fluctuations in workload for D&C and Real Property Contracts personnel; and (c) allow the regions to meet quarterly minor R&A obligation targets set by the Office of Real Property Management and Safety (PM). To meet obligation targets, regional D&C divisions should have a major share of their minor R&A construction (or design-build) contracts ready for award by the end of the first quarter of the fiscal year.

(5) Production. Minor projects will normally be managed and administered during the design phase by

in-house staff, including the performance of reviews for constructability. However, regions have discretion to use CM services during design of minor new construction or other technically or logistically complex minor projects. Standard construction phase services should be obtained from design A-E's. CM's, design A-E's, construction inspection service contractors, or in-house staff may be used to perform construction M&I at the discretion of the region depending on availability of resources, site logistics and cost. (See subparagraph 2a.) CM services, if engaged on minor design-build projects, will consist primarily of technical oversight and assistance to the Government in administering the design-build contracts, with reduced emphasis on scope, schedule, and cost control. On design-build projects, CM services associated with constructability assurance are not needed, since this is the design-build contractor's responsibility. On minor projects D&C personnel will provide management, technical and regulatory oversight, in administration of all A-E, CM, construction, and design-build contracts. As with major projects, the roles and responsibilities of all contractors and D&C personnel shall be defined and carried out to: (a) afford the most efficient use of limited in-house staff resources; (b) avoid unnecessary redundancies; and (c) preserve the proper professional and contractual accountabilities of all parties.

(6) Closeout. Each contract associated with a minor GSA project should be readied for final settlement as soon as practicable after the contract work is completed. A-E and CM contracts should be readied for final settlement no later than the date of final settlement of the (last unsettled) related construction or design-build contract. The date of final settlement, which is established when the contracting officer signs the certificate of contract completion, will be used when evaluating or reporting regional contract closeout performance.

c. GSA technical services. All GSA funded in-house or contracted services provided by D&C that are not directly related to authorized construction projects are considered GSA technical services for purposes of this order. This includes all services required for project development of major or minor projects (surveys and studies, building evaluations, PDS preparation, environmental assessments, etc.). In the life-cycle of a project, project development (technical) services end and design phase services begin when the project is authorized.

(1) Delivery methods. Technical services are accomplished either by in-house staff or through A-E or other contracts, as further explained in subparagraph (5).

(2) Planning and approval. Each GSA annual budget request includes funding for technical services. External budget approval is effected at an overall program level rather than by specific item or category. Regions must plan their future program requirements for technical services and identify them in responses to annual limited budget calls. Prior to each operating year, these requirements must be reevaluated and included in responses to annual allowance calls. In preparation of technical services requests, each regional program office to benefit from D&C-provided technical services must plan its requirements and coordinate with regional D&C on estimated costs and delivery capability. Counterpart program offices in the Central Office will assess regional requests and make programmatic recommendations. The Office of Design and Construction (PQS) will evaluate estimated costs and regional D&C staffing requirements for inclusion in external budgets and for subsequent allowances to regions. The ARA for PBS in each region is responsible to ensure coordination among the various regional program offices in formulating technical services requests and in determining priorities for accomplishment within approved funding levels.

(3) Authorization. Substantive technical services requirements which are readily treated as individual efforts with fixed starting and ending dates shall be regionally authorized by establishment of individual project records in RACATS. For all such technical services efforts that are associated with an existing GSA owned building or group of buildings, project records shall be established by issuance of RACATS

P/A's. Technical services which are performed in-house and which require nominal individual efforts or are ongoing in nature may be regionally authorized on an annual program basis.

(4) Scheduling. Substantive individual technical services efforts shall normally be scheduled in advance. Regional D&C division directors and benefiting program managers should agree on mutually acceptable schedules which will meet other program needs without unduly disrupting D&C program delivery. ARA's are responsible to ensure that advance planning takes place as necessary to maintain program continuity, in the D&C program and the other programs being supported by D&C technical services.

(5) Production. Within available staffing and funding resources, D&C shall perform technical services as necessary to support other PBS programs within the region. Use of in-house staff to perform technical services generally shall be limited to inherently Governmental functions and services which are otherwise impractical to obtain by contract. (See subparagraph 2a.) Other services should be accomplished through A-E or other contracts.

(6) Closeout. A-E and other contracts for technical services shall be readied for final settlement as soon as practicable after the contract work is completed.

d. Reimbursable services. In addition to GSA funded (or alternately financed) work, regional D&C offices perform reimbursable work for other agencies. In some cases, GSA funded work and reimbursable work are mutually interdependent. Reimbursable work may also be incidental to or entirely independent of GSA funded work. Reimbursable work performed by D&C spans the same spectrum of major and minor projects and technical services as does GSA funded work. The prospectus threshold established by the Public Buildings Act, as amended, is used to determine the minimum construction cost which defines a major reimbursable project. All reimbursable projects below this threshold are considered minor projects, and all reimbursable work not directly related to projects falls under technical services. The D&C program delivery methods, execution procedures and closeout requirements outlined under subparagraphs a, b, and c apply to reimbursable work as well as to GSA funded work in the major, minor, and technical services work categories. The following additional procedures govern the planning, acceptance, scheduling, and performance of reimbursable work by regional D&C offices:

(1) Staffing major projects unrelated to GSA program. Future staffing requirements for proposed major reimbursable projects that are independent of GSA direct-funded projects and not located in GSA controlled space must be accepted in advance by the Office of Real Property Development. Each proposed new project start that requires increased staffing should be reported by memorandum from the ARA to the Assistant Commissioner, Office of Real Property Development (PQ). Each new project proposal must be accompanied by an estimate of staffing requirements, itemized by fiscal year for the project life cycle. Justification must be provided if the staffing estimates are not consistent with the production standards used in the D&C resource allocation model. The Assistant Commissioner (PQ) will respond in writing to indicate whether the staffing requirements are accepted and will include the accepted projects in regional workload data used for subsequent staffing allocations (see subparagraph 3d(2)).

(2) Planning and approval. In accepting and scheduling all forms of D&C reimbursable work during each operating year, regions should give advance consideration to their D&C services delivery capability. New reimbursable work must be accommodated with available staff resources, without compromising delivery of the direct-funded D&C program or previously committed reimbursable work. Regions shall make prudent allowances for unprogrammed reimbursable work in procurement planning for D&C services contracts.

(3) Authorization and scheduling. For each D&C reimbursable work request of any type accepted, regions shall immediately establish a project record in RACATS. For all reimbursable work requests that are associated with an existing GSA owned building or group of buildings, project records shall be established by issuance of RACATS P/A's. For reimbursable work to be accomplished integrally with GSA funded work, the reimbursable work components should be incorporated with the GSA funded work in a single RACATS project record. Within 30 days after establishment of each project record involving reimbursable work, the region shall develop and provide to the requesting agency a schedule for completion of the reimbursable work, and shall enter the project schedule in RACATS.

(4) Work performance priority. Reimbursable work which is integral to direct-funded GSA work should be accepted and performed as necessary to meet client agencies' realistic needs and to avoid delays in performance of related GSA work. Regions should give priority to that reimbursable work which must be done to maintain delivery of direct-funded GSA projects.

2. Production methods.

a. Contracting versus in-house production. D&C services which are commercially available and which are not inherently Governmental shall generally be performed by contract. In-house production of D&C services should be employed to maintain professional skills, respond to urgent requirements, and provide services which are inherently Governmental or otherwise impractical to contract. Required D&C services on minor projects and non-project-related D&C technical services shall be contracted in accordance with this order and the program contracting percentage targets established by the PBS Real Property Management Council (RPMC).

b. Formal versus supplemental contracts. Supplemental contracts for D&C services should be used to the maximum extent permissible under current GSA procurement policy. Supplemental contracts shall be planned in advance, and procurements shall be scheduled and implemented, so as to ensure continuous availability of supplemental ordering capability as needed for all types of D&C services. Formal contracts (as opposed to supplemental contracts or in-house staff) are required as described in subparagraphs (1) and (2).

(1) A-E contracts. Supplemental contracts for A-E services will serve as the primary source for design of minor R&A (including reimbursable) projects, for development of performance requirements and preliminary designs on design-build projects, and for provision of technical services and other A-E support requirements. However, when unique, highly specialized professional skills and abilities are required for the performance of technical services, formal A-E contracts shall be placed on a case-by-case basis. Such contracts may be for more than one deliverable product.

(a) Regions shall generally use the services of A-E firms for principal design services on new construction and major R&A projects, under contracts placed on a project-specific basis. Such contracts may be for similar services on more than one project; however, supplemental A-E contracts will generally not be used to design new construction or major R&A projects.

(b) Regions may use supplemental design services on new construction and major R&A projects only when necessary to perform urgent, unplanned or out-of-cycle work, to meet client agencies' schedule requirements for reimbursable projects, or to prepare construction documents for technically non-complex projects where a formal A-E selection is not warranted. Each time a supplemental A-E contract is used to design a new construction or major R&A project, the region must include supporting

rationale in the official contract file.

(2) CM contracts. If CM services are engaged on minor projects or on major projects with construction values of less than \$10 million, supplemental CM contracts will generally be used. Regions shall generally use the services of CM firms during the design and construction phases of major projects with construction costs exceeding \$10 million, under contracts placed on a single or multiple project-specific basis. Regions may use supplemental CM services on projects with construction costs exceeding \$10 million when limited services are being procured or when formal CM procurement is otherwise not warranted. In such cases the region must document the official contract file with the supporting rationale.

c. Procurement methods. All contracts principally for A-E design services shall be procured in accordance with 40 U.S.C. 541-544 (the Brooks Act). In assessing other procurement needs and developing procurement requests for contracts involving construction and/or related D&C services, contracting by negotiation shall be considered and recommended to the contracting officer in all appropriate cases. Major projects often involve highly specialized and technically or logistically complex requirements, accelerated delivery times, complicated work sequencing, or critical tenant relocation interfaces. In these cases, source selection should also be recommended, with necessary justification. Source selection with consideration of cost or price and other factors (i.e., the greatest value method) should be recommended when justifiable. Regional D&C offices must furnish contracting officers with sufficient justification to support a determination for all forms of contracting by negotiation. Justifications must address, on a case-by-case basis, why the recommended contracting method is essential to meet the needs of the Government on a particular contract for a particular project.

3. Resource management.

a. Production standards. The Office of Design and Construction (PQS) has established standards to be used for budgeting D&C services (BA90) funding and staffing required to support construction and repair and alteration projects, and to perform technical services. These standards are published in the form of "lookup" tables, and are periodically reviewed and updated.

b. Budget formulation.

(1) Major GSA projects. Construction and related D&C services (BA90) budgets for major GSA projects will be based on cost estimates developed through the PDS process and approved by the PPRB. BA90 budgets must be based on the D&C lookup tables unless specific justification for exceeding table values is provided in the individual project proposals presented to the PPRB. For projects having unusual requirements not covered by the lookup tables, regions are encouraged to identify their additional funding needs at the time of PPRB presentation, in order to afford the opportunity to include them in external budget proposals. For new projects approved by the PPRB, funding requirements will be incorporated in ensuing PBS budgets, in accordance with the cost estimates and implementation strategy outlined in the approved PDS's.

(2) Minor GSA projects. Construction budgets for minor new construction projects are established by project allowance documents issued to the regions. Related D&C services budgets are established in attachments to BA90 allowance documents, and are based on the D&C lookup tables unless justification is provided for exceeding the table values. Construction budgets for minor R&A projects are established by the regions, within the total funding provided by the annual minor R&A allowances. Related D&C services budgets are established for each region on an annual program basis, using the D&C lookup tables and contracting ratios established by the RPMC. The minor R&A workload level used to calculate related

BA90 funding consists of design for one half of the current year's and one half of the future year's programs, plus M&I for one half of the current year's and one half of the prior year's programs. Historical data is used to establish the D&C projects portion of each year's total R&A program, and to determine the average D&C project size for application of production standards. D&C support of other minor R&A work (done by field offices or real estate divisions) is also included.

(3) GSA technical services. Technical services budgets (BA90) are established by the process described in subparagraph 1.c(2).

c. Funds management.

(1) Construction funds on GSA funded projects. Funds management on direct-funded (or alternatively financed) new construction projects is generally the responsibility of regional D&C divisions. Management of construction funds on R&A line item projects and the minor R&A program is generally the responsibility of regional R&A program managers.

(2) D&C services funds on GSA funded projects and technical services. Unless otherwise authorized by the Congress, the D&C services budget activity (BA90) covers D&C services required for all GSA funded construction and D&C technical services. Regional D&C directors are responsible for BA90 funds management.

(3) Reimbursable funds. Each D&C reimbursable work request accepted by a region has a separate financial account. Funds authorized on each reimbursable work authorization (RWA) cover all requirements. In the case of construction projects, this includes the construction and the related D&C support services. Funds management on each individual RWA is the responsibility of the regional PBS office which accepts the RWA. For all D&C reimbursable projects and technical services performed in or related to GSA owned buildings (including buildings under delegation), RWAs must be processed through and accepted by regional R&A program managers. For all other D&C reimbursable projects and technical services, RWAs may be accepted by D&C division directors or FSC managers.

d. Staffing allocation. Regional D&C "most efficient organization" (MEO) staffing targets will be determined by application of the D&C services resource allocation model which has been adopted by the RPMC. The same production standards used to determine D&C services funding requirements (i.e., the D&C lookup tables) are also used to determine staffing requirements.

(1) General. The model is workload driven, based on approved program and budget data. Target levels approved by the RPMC are used to set ratios for contracted versus in-house delivery of work. GSA funded work and reimbursable work are included in the workload base. Workload is quantified in salary and benefits (PC&B) dollars derived from direct personnel time, using a national average standard labor rate which includes a markup for indirect personnel time. PC&B dollars are then converted to staffing requirements using the actual average salary and benefits rate for the D&C staff component in each region. Workload is captured separately for major projects, minor projects and technical services.

(2) Major projects. Each year's D&C MEO target includes staffing allocations for those portions of major projects which fall in the year, based on the project schedules. All projects which will have activity in the year are captured, including new project starts as well as ongoing projects. GSA funded (or alternatively financed) major project workload includes all such projects approved by the PPRB. Nonprospectus R&A projects with construction costs exceeding the prospectus threshold are also credited as major projects. Major reimbursable projects that are independent of other GSA funded work and not located in GSA

controlled space, must be accepted by the Central Office before they will be included in workload data used for staffing allocation purposes. (See subparagraph 1.d(1).)

(3) Minor projects. Minor new construction projects are treated in the model on a case-by-case basis using the major projects procedure described in subparagraph d(2). Each year's D&C MEO target includes a program level staffing allocation for minor GSA R&A projects, based on prior, current and future year minor R&A allowance levels. The same workload level used to calculate BA90 budget requirements (subparagraph b(2)) is also used for staffing allocation. D&C support of other minor R&A work (done by field offices or real estate divisions) is also included. Nationwide staffing requirements for minor reimbursable projects are determined on the basis of historical workload data and predictable trends. Ensuing regional MEO allocations for minor reimbursable work are based on actual workload levels in individual regions. Both the nationwide historical data and regional actual workload levels are drawn from the RACATS data base. Regions must ensure that information reported in RACATS is complete and accurate in order to receive equitable treatment in the staffing allocation process.

(4) Technical services. Each year's D&C MEO target also includes a program level staffing allocation for technical services. GSA funded technical services workload is determined directly by the BA90 allowance amounts provided for technical services. Reimbursable workload is added as a percentage of direct, based on historical workload data.

4. Information management.

a. General. All Central Office monitoring, reporting and evaluation of D&C program status and performance in the regional offices will be based on data resident in the PBS/IS. ARA's must ensure that data in the PBS/IS for their regions is complete, current and accurate. For all standardized Central Office reporting, copies of the report programs will be provided to all regions and run dates will be publicized with sufficient lead time to permit data verification by the regions.

b. Project file records. All records in the RACATS project (PJ) file that are for D&C projects or D&C technical services work related to existing GSA owned buildings shall be created by issuance of RACATS P/A's by the regional R&A offices. Other PJ file records are created by either the D&C divisions or D&C offices within FSC's. Each PJ file record established must have one or more systemically related Accounting System Identification (ASID) numbers.

c. Establishment of file records and file relationships. PJ file records, other PBS/IS file records and their systemic interrelationships must be established to parallel the planned delivery of the corresponding D&C work. Each planned construction or design-build contract must have a contract (CT) file record designated as a construction contract record. Each such CT file record must be systemically related to a discrete PJ file record (i.e., no PJ file record is to have more than one active related construction CT file record). Each planned A-E, CM or other D&C contract must also have a properly designated CT file record. For each such contract which relates to only one D&C project or technical services activity, the CT file record must be systemically related to the corresponding PJ file record. The CT file records and their systemic relationships to the PJ file records must be established when D&C begins work on the projects. For each planned construction contract including reimbursable and/or R&A work in GSA owned buildings, building/work item (WI) file records must be systemically related to the corresponding PJ file record. These WI file records must completely and accurately describe only that reimbursable and/or R&A work which is included in the related construction contract (i.e., the PJ file record serves to establish the proper systemic relationship between each CT file record and its corresponding WI file records). Each PJ file record must be systemically related to one or more building file record(s). PJ file

records for GSA funded technical services authorized at annual program levels (subparagraph 1c(3)), or for reimbursable work not related to a building in inventory, may be related to "dummy" building file records. All other PJ file records must be related to building file records representing actual buildings in inventory. For each planned GSA new construction project, a discrete new building record must be established in the building file, when the project is first authorized and the PJ file record is established.

d. Maintenance of file records and file relationships. PJ file records, other PBS/IS file records and their systemic interrelationships shall be maintained and modified as necessary to parallel the actual delivery of the corresponding D&C work. Work initially planned and authorized as separate projects or contracts may be combined into a single project or contract. Conversely, work initially planned and authorized under a single project or contract may be split into two or more projects or contracts. Also, work initially included in one project or contract may be shifted to another project or contract. Such changes in planned delivery of work are necessary to adapt to changing conditions during project accomplishment. When these changes occur, the PBS/IS file records must be modified accordingly. The proper file relationships described under subparagraph c, must be maintained or reestablished when changes are made. For PJ file records established by issuance of RACATS P/A's, necessary changes in file records and relationships must be effected by revision or cancellation and reissuance of the P/A's by the regional R&A program managers. For purposes of implementation of this order, regions shall modify all existing nonconforming RACATS file records (PJ, CT and WI) which are not already in "construction" or "history" status.

e. Core data elements. For each PJ file record in RACATS, certain data elements in the PJ file and under related records in the CT, WI and building files must be maintained by manual data entry by the regions. As change orders are issued on awarded construction contracts, corresponding contract change (CX) file records must be established. These CX file records require additional manual data input by the regions. For all file records, the relevant data elements and their definitions vary according to the type of D&C work involved, the delivery method and the procurement method. For nationwide standard reporting purposes, the Central Office requires that a "core" set of data elements must be maintained. Appendix A provides a listing of the required PJ, CT, CX, WI and building file data elements and definitions for various work categories, delivery methods and procurement methods. ARA's shall assign responsibilities within their regions for maintaining required data in RACATS according to the listings in Appendix A, and shall ensure that "core" data is adequately maintained.

f. Data entry. Static data (building names, project titles, etc.) shall be entered immediately after file records are established. Data entries which are associated with actual occurrence of events shall be made as soon as possible after the events occur. For Central Office reporting purposes, a lag of at least 5 working days will be provided between the "as of" dates and the run dates of all reports, to allow for entry of actual event-related data. Appendix A provides additional instructions as to when non-static data not associated with actual occurrence of events should be entered.

g. Central Office reporting. Programming of all PBS/IS generated Central Office reports applicable to regional D&C workload, program performance and resource requirements will be based on the standards and criteria provided herein for maintenance of the PBS/IS data base. Within the conditions provided above, the data in PBS/IS will be assumed to accurately represent the status of the D&C program in each region, and conflicting data provided from other sources will not be considered in evaluating and reporting regional performance.

h. Closeout of records. As soon as possible after a project or other activity is physically and financially complete, action shall be taken as necessary to close out the associated RACATS records and cause them to be purged from the system.

i. PBS/IS conversion. Changes to the guidance provided herein will be made as necessary in conjunction with the impending conversion of PBS/IS to a new hardware and software environment.

Appendix A. PBS/IS CORE DATA ELEMENTS

DESIGN AND CONSTRUCTION SERVICES

NATIONWIDE MANAGEMENT INFORMATION REPORTING

PBS/IS CORE DATA ELEMENTS FOR MANUAL DATA ENTRY BY REGIONS

1. PROJECT (PJ) FILE

a. Traditional delivery projects:

Element ID Element Name Notes

PJ0150 Project Designator 1,2

PJ0171 Project Description 2

PJ0220 Project Coordinator 2

PJ0330 Estimated Design and Review Cost 2

PJ0340 Estimated Construction Cost 2

PJ0360 Estimated Management and Inspection Cost 2

PJ0440 Date of A-E CBD Synopsis - Estimate 2,3

PJ0450 Date of A-E CBD Synopsis - Actual 3

PJ0470 Date of A-E Selection - Estimate 2,3

PJ0480 Date of A-E Selection - Actual 3

PJ0500 Date A-E Contract Awarded - Estimate 2,4

PJ0510 Date A-E Contract Awarded - Actual 4

PJ0555 Administrative Start Date 2

PJ0560 Date Design Started - Estimate 2

PJ0570 Date Design Started - Actual

PJ0650 Design Percent Complete - Cumulative 2

PJ0680 Date Design Completed - Estimate 2

PJ0690 Date Design Completed - Actual

PJ1130 Date Construction Substantially
Completed - Estimate 5

PJ1140 Date Construction Substantially
Completed - Actual

PJ1180 Construction Percent Complete - Cumulative 6

PJ1230 Date Construction Completed - Actual 7

PJ1240 Construction Inspection Responsibility 8

b. Design-build delivery projects:

Element ID Element Name Notes

PJ0150 Project Designator 1,2

PJ0171 Project Description 2

PJ0220 Project Coordinator 2

PJ0330 Estimated Review Cost 2,9

PJ0340 Estimated Design-Build Contract Cost 2,10

PJ0360 Estimated Management and Inspection Cost 2,11

PJ0500 Date Construction Started - Estimate 2,12

PJ0510 Date Construction Started - Actual 12

PJ0555 Administrative Start Date 2

PJ0560 Date Design Started - Estimate 2,13

PJ0570 Date Design Started - Actual 13

PJ0650 Design Percent Complete - Cumulative 2

PJ0680 Date Design Completed - Estimate 2,13

PJ0690 Date Design Completed - Actual 13

PJ1130 Date Construction Substantially
Completed - Estimate 5

PJ1140 Date Construction Substantially
Completed - Actual

PJ1180 Construction Percent Complete - Cumulative 6

PJ1230 Date Construction Completed - Actual 7

PJ1240 Construction Inspection Responsibility 8

c. Technical services (surveys and studies):

Element ID Element Name Notes

PJ0150 Survey/Study Designator 1,2

PJ0171 Survey/Study Description 2

PJ0220 Survey/Study Coordinator 2

PJ0330 Estimated Survey/Study Cost 2

PJ0440 Date of A-E CBD Synopsis - Estimate 2,3

PJ0450 Date of A-E CBD Synopsis - Actual 3

PJ0470 Date of A-E Selection - Estimate 2,3

PJ0480 Date of A-E Selection - Actual 3

PJ0500 Date A-E Contract Awarded - Estimate 2,4

PJ0510 Date A-E Contract Awarded - Actual 4

PJ0555 Administrative Start Date 2

PJ0560 Date Survey/Study Started - Estimate 2

PJ0570 Date Survey/Study Started - Actual

PJ0650 Survey/Study Percent Complete - Cumulative

PJ0680 Date Survey/Study Completed - Estimate 2

PJ0690 Date Survey/Study Completed - Actual

d. Technical services (inspections):

Element ID Element Name Notes

PJ0150 Inspection Designator 1,2

PJ0171 Inspection Description 2

PJ0555 Administrative Start Date 2

PJ1130 Date Inspection Completed - Estimate 2

PJ1140 Date Inspection Completed - Actual

PJ1180 Inspection Percent Complete - Cumulative 2

PJ1240 Inspection Responsibility 8

2. CONTRACT (CT) FILE

a. Construction and design-build contracts:

Element ID Element Name Notes

CT0110 Type of Contract Indicator 2,14

CT0140 Initial Contract Award Amount 15

CT0210 Date IFB/RFP Issued - Estimate 6,16

CT0220 Date IFB/RFP Issued - Actual 16

CT0240 Date Bids/Final Offers Received - Estimate 6,16

CT0250 Date Bids/Final Offers Received - Actual 16

CT0270 Date Contract Awarded - Estimate 2

CT0280 Date Contract Awarded - Actual

CT0300 Date NTP Received by Contractor - Estimate 6,17

CT0310 Date NTP Received by Contractor - Actual 17

CT0390 Contractor Firm Name 15

CT0410 Contractor Address - City 15

CT0420 Contractor Address - State 15

CT0500 Number of Calendar Days of Contract 15

b. A-E contracts:

Element ID Element Name Notes

CT0110 Type of Contract Indicator 2,14

CT0140 Initial Contract Award Amount 15

CT0390 Contractor Firm Name 15

CT0410 Contractor Address - City 15

CT0420 Contractor Address - State 15

c. CM contracts:

Element ID Element Name Notes

CT0110 Type of Contract Indicator 2,14

CT0140 Initial Contract Award Amount 15

CT0270 Date Contract Awarded - Estimate 2

CT0280 Date Contract Awarded - Actual

CT0390 Contractor Firm Name 15

CT0410 Contractor Address - City 15

CT0420 Contractor Address - State 15

3. CONTRACT CHANGE (CX) FILE (Construction and Design-Build Contracts Only)

Element ID Element Name Notes

CX0100 Type of Contract Change Code 18,19

CX0110 PDL Maximum Cost - Estimated 20

CX0120 Date Contract Change Issued 18,21

CX0130 Date Contract Change Approved - Actual 22,23

CX0140 Contract Change Amount 22

4. WORK ITEM (WI) FILE (Construction work items only)

Element ID Element Name Notes

WI0020 Construction Plan Year 24,25

WI0021 Design Plan Year 24,26

WI0110 Fund Source 24

WI0130 Construction Authorization Amount 24,27

5. BUILDING FILE

Element ID Element Name Notes

B0064 Region Number 28

B0078 Building Name 28

B0082 City 28

B0084 State 28

NUMBERED NOTES

1. Use the following values for various record types:

P - Traditional delivery project

J - Design-build delivery project

S - Survey or study

Q - Inspection

N - Non-D&C project

2. When applicable, values should first be entered in these elements when regional D&C accepts and starts work on a project or technical services activity.

3. Entries in these elements are required only for records on projects or technical services activities for which A-E services will be obtained through new formal A-E contracts (as opposed to delivery orders on IQ A-E contracts or amendments to existing formal A-E contracts).

4. Entries in these elements are required only for records on projects or technical services activities for which A-E services will be obtained through new formal A-E contracts, amendments to existing formal A-E contracts or delivery orders on IQ A-E contracts.

5. A value should first be entered in this element no later than the point at which design funds for a project are authorized.
6. Values should first be entered in these elements no later than the point at which the corresponding procurement request is sent to the regional contracts office.
7. The date to be entered in this element is the date upon which the certificate of construction contract completion is delivered to the Contracting Officer.
8. Values should be entered in this element as soon as inspection responsibility has been planned. For projects not requiring formal management plans, this should be no later than actual design completion. Use the following standard coding in the first two positions of this 20 position field:

AF - Formal A-E contract
AS - Supplemental A-E task order
CF - Formal CM or CIS contract
CS - Supplemental CM or CIS contract
IH - In-house staff

9. The value entered should be the sum of the GSA salary and miscellaneous other costs during the pre-award and design phases, including contract costs other than those to be paid to the design-build contractor (e.g., fees to independently engaged A-E's or CM's).
10. The value entered should be the total estimated amount to be paid to the design-build contractor over the life of the contract, including contingencies and reservations.
11. The value entered should be the sum of the GSA salary and miscellaneous other costs during the construction phase, including contract costs other than those to be paid to the design-build contractor (e.g., fees to independently engaged A-E's or CM's).
12. The dates to be entered in these elements are the estimated and actual dates when the design-build contractor starts construction. Construction start may occur before design completion.
13. The dates to be entered in these elements are the estimated and actual dates when the design-build contractor starts and completes design.
14. Use the following values for various record types:

C - Construction or design-build contract
A - A-E contract (formal or IQ)
M - CM contract (formal or IQ)
T - Construction term contract
0 - Other contract type not listed above
15. Values should be entered in these elements when the corresponding contract is awarded.
16. For sealed bid procurements, these elements are used to track the estimated and actual invitation for bids and bid opening dates. For procurement by competitive negotiation (FAR Part 15), they are used to

track the estimated and actual issuance of requests for proposals and receipt of best and final offers.

17. The dates to be entered in these elements are the estimated and actual dates when the contractor acknowledges receipt of notice to proceed (i.e., the first calendar day of contract performance, used to establish the legal contract completion date).

18. Values should be entered in these elements when a contract change is issued. (See Note 21, below.)

19. Use the following values for various record types:

PDL - Price to be determined later (with upset price)

PDL - Article 3 (no upset price)

REG - Fixed-price

20. Entries in this element are required only for PDL change orders (with upset prices).

21. For PDL or Article 3 changes, the value in this element should be the date when the unpriced change is executed. For proposed fixed price changes, it should be the date when the contractor is requested to provide a price proposal.

22. Entries in these elements should be made when a contract change is approved. (See Note 23, below.)

23. For PDL or Article 3 changes, the value in this element should be the date when the price and new performance time are confirmed. For fixed-price changes, it should be the date when the change order is executed.

24. Entries in these elements should be made no later than when a P/A is first generated.

25. Initially, the construction plan year should be the fiscal year in which the construction funds are requested. If the construction or design-build contract will not be awarded in the year first entered, the fiscal year of estimated or actual construction contract award should be entered.

26. Initially, the design plan year should be the fiscal year in which design funds are requested. If the design start will not occur in the year first entered, the fiscal year of estimated or actual design start should be entered.

27. For reimbursable projects, this element should not have a value other than zero until a reimbursable work authorization (RWA) including construction funding has been accepted. The entry should then match the construction amount authorized on the RWA.

28. Entries should be made in these elements when a building record is first created.

▼ Validation

Status: Final